



CALPEEK

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CAMPAIGN 2002: NEW POLLING SHOWS DAVIS HAS PROBLEMS. RIORDAN LEADS GOP PRIMARY FIELD.

Editor's note: If a new Public Policy Inst. of Calif. survey shows the State heading the *right direction* by a margin of **58% to 33%**, then how come Calif. Gov. Gray Davis(D) is favored for reelection by only **39%** of those questioned in a new Field Poll??? Both Field and PPIC have released their December findings, but these numbers won't hold for long as Davis and GOPers Richard Riordan and Bill Simon will be up on tv with a first round of ads very soon. Here's our analysis & commentary

...The poor polling numbers for Davis has brought smiles to the camps of the 3 GOP candidates who want to replace him. Of the three, former L.A. Mayor Richard Riordan continues to hold a 23-to-24 pt. lead over SOS Bill Jones – **42% to 19%** in the Field Poll and **37% to 13%** in the PPCI data...

...L.A. businessman Bill Simon Jr. hasn't moved at all in either poll – he's still stuck at **5%** and insiders are beginning to wonder if Simon is for real or whether his Statewide run is just to show the GOP base that here's a guy you might want to support in 2004 for U.S. Senate. Simon certainly has the money to give Riordan a run, but there seems to be a *lack of fire* on Simon's part to point out his differences with Riordan. Simon strategists issued a Dec. 21st memo suggesting "Riordan's campaign is heading for a train wreck." Is this wishful thinking or is an upset by Simon really possible??? Only time will tell...

...Jones, on the other hand, isn't shy about bashing Riordan, but he has yet to demonstrate that he can raise the kind of warchest necessary to deliver his message. (FYI: Davis is raising about \$250,000 per day). Gov. Davis defeats both Simon and Jones in general election one-on-one matches in both the Field and PPIC surveys: Davis 44% vs. Jones 34%, 22% undecided; Davis 46% vs. Simon 31%, 23% undecided. But in the Davis vs. Riordan battle, it's a different story:

	PPIC	FIELD
Gray Davis(D)	40%	36%
Richard Riordan(R)	44%	43%

...The key problem for Davis in both surveys is that he is NOT holding the Demo base. In the Field Poll, Davis holds only **58%** and in the PPIC survey he's a little better at **64%**. Still, there are some sources who aren't totally sure yet that Riordan will win the GOP primary. He certainly looks good for March 5th, but there are at least 2 debates (and perhaps as many as 4) coming up. Remember: Riordan has a propensity to open mouth & insert foot. That's why *Team Riordan* really doesn't want any more than 2 debates...

...FYI: The single biggest problem facing Davis continues to be the energy crisis. A new state audit says the long term contracts were "ill-conceived and rushed" and the State's general fund is still owed some \$8 billion – cost of the State's buying power when PG&E and SCE were strapped for cash. Part of Davis' energy problem is communications. Davis' message that he *kept the lights on in Calif.* has not gotten through to voters. And while GOP critics bash Davis over the long term energy contracts, had they not been done, the lights surely would have gone off – and Davis' low polling numbers would have been even worse. Stay tuned...

CALPEEK'S PREDICTIONS AND POT SHOTS FOR 2002.

Editor's note: *Pundits who use a crystal ball sometimes eat glass.* Calpeek's 2001 list of *Predictions, Punditry and Pot Shots* turned out to be a mixed bag. We were on target about 50%. Anyway, for what it's worth, here's our 2002 list...

◆ **Top Issue for 2002** – International terrorism. This topic has made U.S. and Calif. politics into a third tier issue. In second place: the U.S. economy...

◆ **Recession** – It's here now in Calif., as unemployment numbers go over 6%. But most sources think recession will be over by late Summer '02. One promising sign: the home construction industry is still in good shape...

◆ **Prediction** – The GOP House economic stimulus bill will not be enacted by the U.S. Senate in its present form. Among the flaws, changes to the alternative minimum tax which makes it easier for big corporations to ship U.S.

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jobs overseas...

◆ **Big Issue Facing Calif. in 2002** – The State's budget shortfall of about \$12 billion over the next two years. If Gov. Gray Davis(D) doesn't get a handle on this situation, his career in elective government could be *toast*...

◆ **Biggest U.S. Political Story in 2001** – U.S. Sen. James Jeffords' jump from the GOP to independent, thus giving control of the U.S. Senate to the Demos...

◆ **Biggest Business Story of '01 w/Political Impact** – The overall energy crisis in Calif. and in other parts of the Western U.S., combined with the fall of Houston, TX-based energy giant Enron. Enron, with tons of political clout, now is the largest bankruptcy in U.S. history...

◆ **Prediction:** Once the U.S. Congress gets going, Enron will turn into a major political problem for the Bush Admin. *Whitewater* was peanuts compared to the fiscal impact of Enron's collapse...

◆ **The Giuliani Factor in Calif.** – Soon-to-be ex NYC Mayor Rudy Giuliani may be *Time Magazine's* Person of the Year, but it remains to be seen if Rudy has the political clout to help his friend Bill Simon win Calif.'s GOP gubernatorial nomination...

◆ **Prediction:** Term Limits Extension (aka Prop. 45) will be defeated and it may lead to the downfall of Demo Senate President John Burton, the key backer of 45...

◆ **A No-Brainer Prediction:** U.S. Rep. Gary Condit(D-Ceres) will not win the Demo primary against his former aide and ally, Assemblyman Dennis Cardoza(D-Modesto). Will Cardoza hold the seat for the Demos? YES, but it may be a close election...

◆ **Chandra Levy** – Police will get a break and will find the body of the missing intern who has caused Condit so much trouble. Evidence will point to a DuPont Circle serial killer, but this won't be enough to save Condit's job...

◆ **Local Issue Which Won't Go Away** – What would Orange County voters do if they didn't have El Toro on a local ballot??? Politically, El Toro may play a pivotal role in the GOP gubernatorial campaign...

● **Mid-Term Elections** – Demos will continue to hold the U.S. Senate, but all bets are off for the U.S. House. If the Demos retake the U.S. House, it will be without much if any help from Calif...

◆ **Folks Who Will Be Missed** – Julian Dixon, John Gilkison, Richard Bergholz, James Corman, Alan Cranston, John Schmitz, Marion Cerrell, Frederic Wyatt, Michael R. Kilbane, Victor Veysey, Zan Thompson, Robert E. Burton, John FitzRandolph, Don L. Gevirtz, Richard Hanna, Dick Nevins, Stanley Mosk, Dalton Moore, Maureen Reagan, Rose Ann Vuich, June Oppen Degnan, Bob Gouty and Bob Shillito. R.I.P...

CAMPAIGN 2002: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Here is another update about some of the initiatives on Calif.'s March 5th ballot, plus info on proposed initiatives trying to make the November 2002 ballot...

◆ **Prop. 45(Term Limits Extension)** – A new Field Poll shows voters favor this idea of allowing termed-out members of the State Assembly & Senate to extend their terms by 4 more year. The survey showed **50% YES vs. 37% NO**. Demos heavily favor Prop. 45 (2 to 1), while GOP voters are split: 47% in favor vs. 39% opposed...

...However, a new Public Policy Inst. of Calif.(PPIC) poll shows a closer contest: 46% YES vs. 45% NO, with 9% undecided. Most sources think the YES side must be out in front in the high 50% range in order to withstand a heavy negative onslaught which is sure to happen...

...FYI: GOP gubernatorial candidate Richard Riordan was named *honorary co-chair* of the NO on 45 effort by Lew Uhler, president of the Nat'l Tax Limitation Cmt. But poor old Lew got a shock when Riordan said he would not necessarily be opposed to altering the current term limit law. "It is not a magic formula." Riordan's rival, SOS Bill Jones, was more blunt: "This is a clear indication that Mayor Riordan is not ready for prime time." Question: sources say there were five ballot arguments to choose from on the NO side of Prop. 45. Why did Jones' SOS office pick Riordan to write the NO argument for Prop. 45???

◆ **Prop. 42** – This is the legislative ballot measure which would earmark sales tax revenue from gasoline for highway and transit projects, beginning in 2006. If approved, it would add about \$1.4 billion per year into such projects. The new Field Poll shows YES on 42 leading with 51% vs. 29% NO, with 20% undecided...

◆ **Prop. 40** – This is the \$2.6 billion Calif. Clean Water, Clean Air, Safe Neighborhood Parks & Coastal Protection Act of 2002. The key sponsors have selected Winner/Wagner & Mandabach as the lead consultant; Fairbank, Maslin, Maullin & Assoc. as pollsters; and Gwyn Bicker & Assoc. to handle free media/coalition building. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Jan. 7	CA Legislature reconvenes.
Jan. 22	GOP governor's debate – CSU/San Jose.
Feb. 8-10	CA Republican Party convention, San Jose.
Feb. 13	GOP governor's debate – CSU/Long Beach.
Feb. 15-17	CA Democratic Party convention, Bonaventure Hotel, L.A.
Mar. 5	CA Primary Election.
Mar. 19	5 th annual L.A. Political Roast, Beverly Hilton Hotel.
Mar. 21-23	AAPC 2002 spring conference at Gaslamp Quarter Hilton, San Diego.

CAMPAIGN 2002: IT'S CARDENAS VS. GREUEL IN A MAR. 5TH RUNOFF FOR L.A. COUNCIL DISTRICT #2.

Editor's note: The Dec. 11th primary to fill the unexpired term of former L.A. Councilman Joel Wachs witnessed a 19.02% voter turnout – marginally better than the pathetic 15% in S.F.'s runoff election for city attorney – but yet another reason to do away with holiday season elections. Assemblyman Tony Cardenas (D-Mission Hills) finished ahead of DreamWorks exec. Wendy Greuel by a 47.76% vs. 42.56% margin, with conservative Jamie Cordaro pulling 9.68% – enough to force a March 5th runoff. Here is our update & analysis...

...Lots of spin coming from supporters of both Cardenas and Greuel. Cardenas' 20,344 votes was just 534 short of avoiding a runoff. If Cardenas had won, he would have broken a jinx which has plagued a number of Legislative vets who have been *termed out* and were thus trying to win elective jobs in the L.A. City government. Among the recent losers: Antonio Villaraigosa, Carl Washington, Scott Wildman, Tom Hayden and David Roberti. The only success stories of jumping from Sacto back to L.A. are Gloria Molina and Richard Alatorre – some toss in Nate Holden as well. But the bottomline is that voters are reluctant to give these lawmakers a second chance in L.A....

...But Cardenas supporters note that a March 5th runoff will present a whole *new ballgame* in terms of voter turnout – especially among Demo voters. Remember: Cardenas has been endorsed by the L.A. Co. Demo Central Cmt. With hot Demo primary contests in the 39th AD (Cardenas' seat) and the 40th AD (the Hertzberg seat), Cardenas supporters think this will be more than enough to push him over 50%...

...The Greuel supporters are just pleased to be in a runoff election. Greuel started the primary with only 4% name ID. An initial baseline survey for Greuel by her pollster (Fairbank, Maslin, Maullin) showed Cardenas at 36% vs. Greuel at 13%. With 5 days to go before the Dec.

11th primary, a second Greuel survey showed Cardenas leading: 33% to 32%...

...FYI: In addition to a big Demo turnout, GOPers in the Valley's 2nd District will turn out in big numbers to vote in the gubernatorial primary. Jamie Cordaro, the conservative candidate who pulled 9.68%, on Dec. 18th endorsed Greuel. And Greuel supporters think about 75% of Cordaro's vote will go to their candidate. Stay tuned...

CAMPAIGN 2002: UPDATE ON U.S. HOUSE CONTESTS.

Editor's note: Here's another update on some key U.S. House primaries...

☒ **The Condit Watch – 18th CD** – As expected, embattled U.S. Rep. Gary Condit (D-Ceres) filed for reelection in what some sources think will be a very nasty primary battle with his former aide and friend, Assemblyman Dennis Cardoza of Merced. Condit had to pay a \$221 filing fee because he fell some 500 signatures short of the required 3,000 needed. That cost is minor compared to what this primary may run – and Condit for the first time in years is having a tough time raising money. *Roll Call* reported on Dec. 6th that PACs have left Condit high & dry since July; about the same time the Chandra Levy fiasco blew up in Condit's face. In terms of support, Gov. Gray Davis, a longtime Condit supporter, is neutral, and so is new U.S. House Demo Party Whip Nancy Pelosi (D-SF), who did a flip-flop – first endorsing Condit and then pulling back to neutral. Cardoza supporters include U.S. Reps. Ellen Tauscher, Zoe Lofgren and Grace Napolitano. Cardoza is racking up some other impressive endorsements, including 45 Demo members of the State Legislature and the Calif. AFL-CIO...

...FYI: Although it hasn't gotten much attention, on the GOP side, State Sen. Dick Montieth of Modesto has two challengers: former Assemblyman George House and Modesto Councilman Bill Conrad. House will be running to the *right* of Montieth...

☒ **39th CD** – Some new polling data from the Hector de la Torre campaign. It shows the South Gate councilman leading his four Demo rivals with 27% vs. 17% for Linda Sanchez; 13% for Assemblywoman Sally Havice; Cecy Groom has 4% and Helen Rader gets 3%. 36% are undecided. The poll was conducted by The Feldman Group, 500 likely voters, taken Nov. 26th - Dec. 2nd.

☒ **21st CD** – This is that new CD in the Central Valley, where Demos need not apply. The top tier GOPers are former Fresno Mayor Jim Patterson, Fresno Assemblyman

Mike Briggs and Tulare Co. dairy farmer Devin Nunes. All three are conservatives. Thus far, most the GOP battling has been between Nunes and Briggs, with Patterson sitting on the sidelines. About 70% of Briggs' 29th AD is within the new 21st CD, thus he's got some good name ID. Current Fresno Mayor Alan Autry is a Briggs supporter. The key knock against Briggs is that he broke ranks with the GOP leadership and voted for the 2001-02 budget. But Briggs notes there were some key tax breaks for agriculture in the budget – and ag is the #1 issue in both the AD and CD. Sacto-based Gilliard/Blanning is handling the Briggs campaign...

...Of the three top tiered GOPers, Nunes is the least well known, although he is a junior college trustee and did run for Congress once before. Nunes' *key backer* is U.S. Rep. Bill Thomas of Bakersfield, chair of the powerful House Ways & Means Cmt. In that post, Thomas has been able to help Nunes with the PAC community. Nunes lead consultant Scott Taylor says Nunes should have between \$150,000 to \$200,000 by year's end. Nunes is up on KMJ Radio. In addition to Thomas, Nunes is supported by U.S. Reps. Bono, Lewis, Calvert, Ose, McKeon and Issa...

...Patterson seems to be the darling of the hardline conservatives, but he may have a problem in that only 20% of Fresno (city) is within the 21st CD. And he may end up splitting Fresno County with Briggs, which might give Nunes an edge. Patterson has been endorsed by the Howard Jarvis Taxpayers Assn. and Tom Fife, former Tulare Co. GOP chair...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ *Is VLF Rebate on Fiscal Chopping Block?* – If the decision were left up to Assembly Appropriations Cmt. chair Carole Migden(D-S.F.) the VLF or car tax rebate would be suspended during the current fiscal crisis. Migden will introduce legislation to do just that when the Legislature reconvenes Jan. 7th. The refund produces an estimated \$3.8 billion in revenue. That would go a long way in helping to close the budget gap – which is estimated to be about \$12 billion over the next 2 years. But on Dec. 19th, Gov. Gray Davis(D) vowed to preserve the VLF backfill, which goes to local government. That means he won't support a roll-back of the VLF rebate. Politically a very smart move for a governor seeking reelection. Calpeek sources say that private polling shows the VLF rebate to be very popular with voters and if Demos tried to eliminate the rebate, which would be the same as a big tax hike, they might be making a huge political mistake. Bet your first born Davis has seen this polling data and he isn't about to raise taxes...

■ *Adelphia Cable's Week In Review* – The well regarded public affairs show hosted by Bill Rosendahl celebrated its 14th anniversary on 12/28 with show #2,500. The very first show was broadcast in 1987 and featured the late Tom Bradley, then L.A. Mayor...

■ *Herrera Wins S.F. City Atty Runoff* – It was the lowest voter turnout in the past 30 years, but Dennis Herrera defeated Jim Lazarus by a 52% to 48% margin. A nice win for Herrera lead consultant Jim Rivaldo because many Calpeek sources felt Lazarus might have an edge, as he finished the Nov. 6th primary 12-pts. ahead of Herrera. But Herrera ran an aggressive campaign that banked heavily on the coalition which supported the failed public power initiative on the November ballot. Additionally, there was a feeling among some that Lazarus supporters were over confident and perhaps didn't see the surge coming from the left. But more important, it appears the center and conservative voters just didn't turn out and that hurt Lazarus. Herrera takes office Jan. 8th...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook. We've got a ton of these announcements...

● The L.A. office of the MWW Group won two PRism Awards from PRSA-LA: launch of legalzoom.com and City of L.A. program of "Get Tested Together."...

● San Diego-based Tom Shepard & Assoc. has moved to 610 W. Ash Street, Ste. 1401, San Diego, CA 92101. Same phone (619)231-0996...

● The Council of State Govts. has moved its western office from S.F. to 1107 9th St., Ste. 650, Sacramento, CA 95814. (916)553-4423...

CALPEEK'S MARKETPLACE NETWORK

● **Los Angeles trade association seeks grassroots coordinator** to develop and implement program that actively involves membership in legislative advocacy and grass roots mobilization to advance organization's goals. Must have experience in government relations, public policy or related field. FAX (213)487-1224.

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